

“In any enterprise, there are a few basics that – if you get them right – make it all work. The basics we have to get right in Tennessee are straightforward: educate our kids better, lead healthier lives and modernize our economy.”

– Phil Bredesen, Governor



STATE OF THE STATE

FY 2008 - 2009

Budget Principles



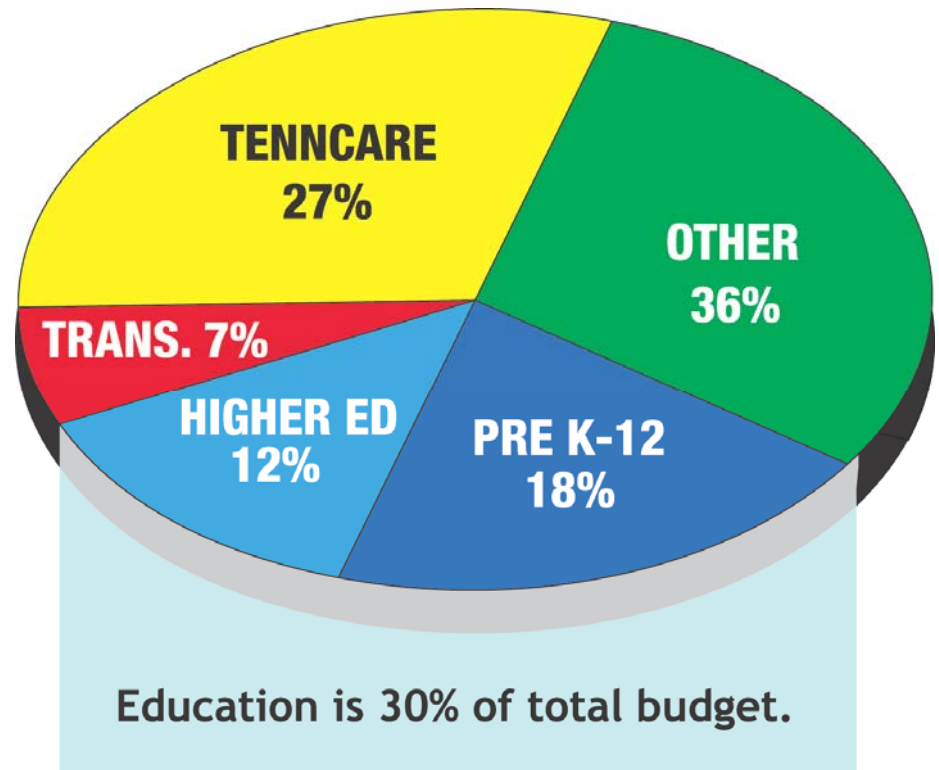
- Maintain Education as the State's Top Priority
- Stick with the basics - Investments in Education, Health Care, Jobs, Safety and Environment
- Submit a balanced, fiscally conservative budget with no new taxes

- 6 common sense balanced budgets
- Conservative budget growth
FY09: 0.38% growth state funds; -0.61% total budget
- Record savings in Rainy Day Fund
\$750 Million in FY08; \$785 Million in FY09
- Improved bond rating (AA+, Aa1)
- Record investments in education since FY03
\$1.306 Billion in Pre-K-12; \$1.038 Billion in higher ed capital funds

Budget Overview

Total FY 08-09 Budget (including federal dollars)

SOURCE	RECOMMENDED FY08-09
TennCare	\$ 7.57 B
Pre K-12	\$ 4.97 B
Higher Ed	\$ 3.44 B
Transportation	\$ 1.8 B
Other	\$ 10.1 B



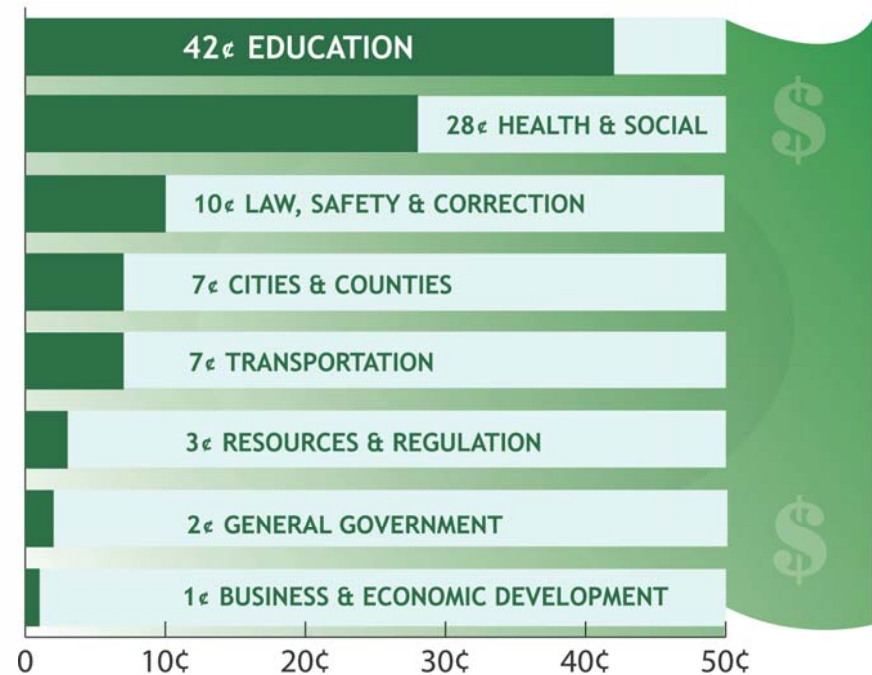
TOTAL \$27.88 Billion

Budget Overview

FY 08-09 Taxpayers' Budget (state dollars only)

SOURCE	RECOMMENDED FY08-09
Education	\$ 5.7 B
Health and Social Services	3.76 B
Law, Safety Correction	1.18 B
State Shared Taxes	864 M
Transportation	804.5 M
General Government	462 M
Resources and Regulation	406 M
Business and Economic Dev.	174 M
Other	\$ 497 M

WHERE YOUR STATE TAX DOLLAR GOES



TOTAL **\$13.84 Billion**

Budget Breakdown



Revenue (federal and state dollars)

SOURCE (millions)	ESTIMATED FY07-08	RECOMMENDED FY08-09	CHANGE
State Appropriations	\$ 13,793	\$ 13,845	.38%
Federal Revenue	9,562	9,564	.02%
Other Departmental	3,389	3,337	(1.5%)
Tuition and Fees	1,010	1,020	1%
Bonds	295	112	(62.03%)
TOTAL	\$ 28,049	\$ 27,878	(.61%)

Net decrease
in overall
state budget.

Budget Breakdown



Breakdown by fund (federal and state dollars)

FUND (millions)	ESTIMATED FY07-08	RECOMMENDED FY08-09	CHANGE
General Fund	\$ 24,482	\$24,492	.04%
Transportation	1,747	1,802	3.15%
Debt Service	329	321	(2.4%)
Capital Outlay	454	231	(49.12%)
Facilities Revolving	197	168	(14.7%)
Cities & Counties (SST)	840	864	2.8%
TOTAL	\$ 28,049	\$27,878	(.61%)

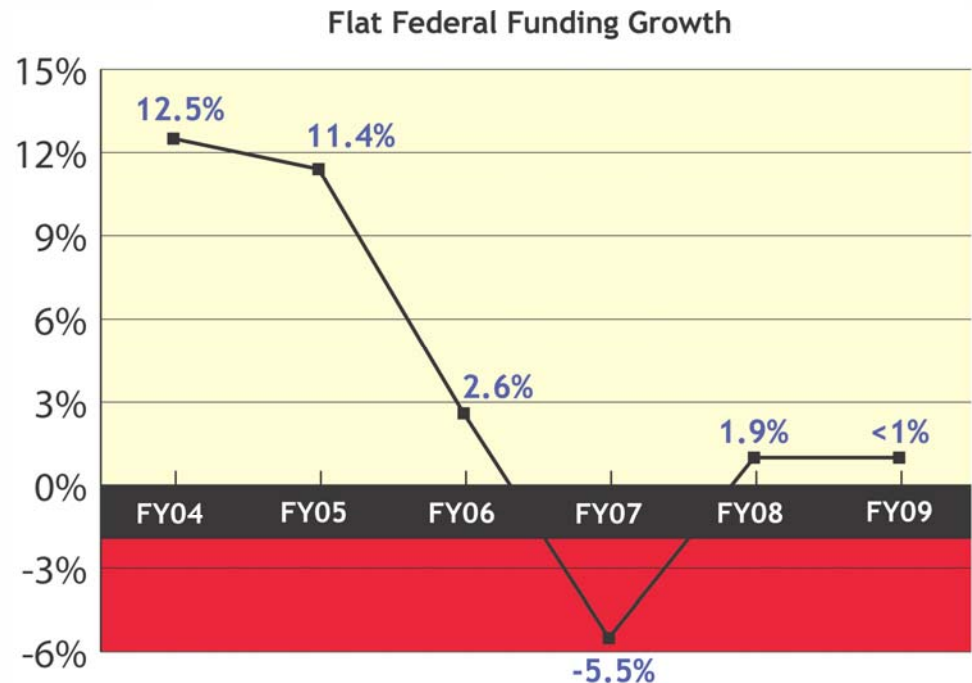
Federal Funding Challenges

Flat Federal Funding Growth

- FY09 <1 %
- FY08 1.9 %
- FY07 -5.5 %
- FY06 2.6 %
- FY05 11.4 %
- FY04 12.5 %

FY09 Federal Funding Issues

- TennCare
 - CPE
 - GME
- DCS -Targeted Case Management
- Lower Estimated Federal Transportation Projects



Budget Breakdown



Appropriations (state dollars only)

GENERAL FUND	APPROPRIATIONS (millions)	ESTIMATED FY07-08	RECOMMENDED FY08-09	CHANGE
	General Government	\$ 446	\$ 462	3.59 %
	Education *	5,456	5,700	4.47 %
	Health and Social Services	3,810	3,755	(1.44 %)
	Law, Safety & Correction	1,177	1,183	0.51 %
	Resources & Regulation	488	406	(16.80 %)
	Business & Economic Dev.	213	174	(18.31 %)
	Transportation	757	804	6.21 %
	Debt Service	329	321	(2.43 %)
	Capital Outlay	264	164	(37.88 %)
	Facilities Revolving	13	12	(7.69 %)
	Cities & Counties (SST)	840	864	2.86 %
	TOTAL	\$ 13,793	\$ 13,845	0.38 %

* Includes education lottery appropriations

Budget Breakdown

State tax collections

SOURCE (millions)	ESTIMATED FY07-08	ESTIMATED FY08-09	CHANGE
Sales	\$ 7,031	\$ 7,306	3.91%
Franchise & Excise	1,766	1,801	1.98%
Gas	858	864	.70%
Motor Vehicle Reg.	259	263	1.54%
Privilege	317	305	(3.78%)
Gross Receipts	270	284	5.19%
Other	977	1014	3.79%
SUBTOTAL	\$ 11,478	\$ 11,837	3.13%
Other State Rev.	954	922	(3.35%)
TOTAL	\$ 12,432	\$ 12,759	2.63%

Dept. of Revenue Collections

WHERE YOUR STATE TAX DOLLAR COMES FROM



Base Budget Cuts

✓ TennCare	\$	26.9 M
✓ Cover Tennessee	\$	23 M
✓ Correction	\$	6.2 M
✓ Human Services	\$	4.3 M
✓ Children's Services	\$	1.6 M
✓ TCRS Rate Reduction	\$	12.1 M
✓ Miscellaneous	\$	11.7 M
Subtotal Base Reductions		\$ 85.8 M
✓ Increase in Over-Appropriation	\$	43.4 M
Total Reductions	\$	129.2 M

Highlights of Major Improvement Initiatives

Education \$ 287 M

(Includes BEP, BEP 2.0 Year 2, Pre-K Expansion, Academy for Math & Science Year 2, Books From Birth Match Increase, Save the Children Literacy Program Year 3, FFA and 4H Foundation Grants, HOPE Scholarship Retention, Nursing Loan Forgiveness Program, UT Biofuels Year 2, Teacher Quality Initiative, Teacher and Higher Education Salary Increases)

Job Creation/Rural Development \$ 37.6 M

(Includes Soil Conservation, Tourism Advertising, Jobs Package, Rural Opportunity Fund)

Home and Community Based Care \$ 20.7 M

(Includes Home and Community Based Services, Arlington Community Mental Retardation Services, Community Mental Health Services Waiting List Reduction)

Safe Communities \$ 41.9 M

(Includes Johnia Berry DNA Analysis, Knoxville TBI Lab, Internet Crimes Against Children Task Forces, Morgan Co. Prison Expansion, National Guard Youth ChalleNGe Program, Communications Interoperability, and Fire-Fighting Communications Equipment)

Energy and Conservation \$ 34.5 M

(Includes Alternative Fuels Awareness (BioTENN) Year 2, Heritage Conservation Trust Fund, Local Parks and State Lands Acquisition Funds, Water Resource Management, Wetlands Acquisition Fund, UT Biofuels Research Initiative)

Budget Breakdown

State Dollars



GENERAL GOVERNMENT TOTAL **\$ 461.7 M**

Finance and Administration	\$ 37.4 M
Dept. of Revenue (Includes Title & Registration)	\$ 86.9 M
Comptroller	\$ 86.8 M
Legislature	\$ 39.2 M
Other	\$ 211.4 M

FY 09 IMPROVEMENTS **\$ 88.3 M**

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GENERAL GOVERNMENT (cont.)

FY 09 IMPROVEMENTS - PAY AND BENEFITS

✓ Employee Pay Raises (State Employees 2%)	\$ 30.6 M
✓ Group Health Insurance Increase	\$ 34.8 M
✓ Alternative Fuels Initiative - Year 2	\$ 4 M
✓ Internet Crimes Against Children Task Force	\$ 400 K
✓ Public Records Ombudsman (Additional Position)	\$ 40.5 K

Budget Breakdown

State Dollars



EDUCATION TOTAL	\$ 5.7 B
Pre K-12 Education	\$ 4.019 B
Higher Education	\$ 1.68 B
FY 09 IMPROVEMENTS	\$ 287 M
✓ Pre K-12 Improvement	\$ 220 M
✓ Higher Education Improvement	\$ 67 M

BEP 2.0

More than \$376 million new dollars are being provided for local school districts as a result of Governor Bredesen's 2007 revisions to the BEP funding formula for public schools.

EDUCATION (cont.)

FY 09 IMPROVEMENTS - Pre-K-12	\$ 220 M
✓ Fully Fund BEP Growth	\$ 83.9 M
✓ BEP 2.0 - Year 2	\$ 86.5 M
✓ Pre-K Expansion - General Fund (Adds up to 250 new classrooms)	\$ 25.0 M
✓ Governor's Academy for Math and Science - Year 2	\$ 400 K
✓ Governor's Books From Birth Foundation	\$ 500 K
✓ Save the Children Literacy Grant	\$ 2 M
✓ FFA and 4-H Foundation Grants	\$ 1 M

EDUCATION (cont.)

FY 09 IMPROVEMENTS- HIGHER EDUCATION	\$ 67 M
✓ HOPE Scholarship Retention - GPA 2.75 (5% increase)	\$ 5.3 M
✓ Need-Based Student Financial Aid (TSAA \$9 M, Lottery for Education \$18 M)	\$ 27 M
✓ Higher Education Salary Increases - UT and TBR	\$ 22.9 M
✓ Nursing Loan Forgiveness Program	\$ 1.4 M
✓ UT BioFuels Center - Year 2	\$ 5.6 M
✓ TBR Teacher Quality Initiative	\$ 500 K

Capital Outlay Budget



CAPITAL OUTLAY

Bonds	\$ 0 M
Cash	\$ 163.5 M
Other	\$ 67.2 M

PROJECTS

Correction	\$ 120.0 M
K-12 Education (State Special Schools)	\$ 2.2 M
Higher Education (Maintenance)	\$ 53.6 M
Mental Retardation	\$ 11.4 M
Library & Archives (Planning)	\$ 2.1 M
State Museum (Planning)	\$ 2.0 M

Budget Breakdown

State Dollars



HEALTH AND SOCIAL SERVICES TOTAL \$ 3.755 B

TennCare	\$ 2.679 B
Children's Services	\$ 341.3 M
Health	\$ 205 M
Human Services	\$ 183.5 M
Mental Health	\$ 179.1 M
Cover Tennessee	\$ 73.1 M
Mental Retardation	\$ 80.5 M
Other	\$ 13.5 M

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HEALTH AND SOCIAL SERVICES (cont.)

FY 09 IMPROVEMENTS	\$ 54.7 M
✓ Home and Community Based Care Expansion	\$ 12 M
✓ Smoking Cessation - Year 2	\$ 10 M
✓ Primary Care Clinic Safety Net Grants	\$ 6 M
✓ HIV/AIDS - Ryan White Program	\$ 3 M
✓ Arlington Area HCBS Transition	\$ 4.1 M
✓ Mental Retardation Services Waiting List Reduction	\$ 610 K

Budget Breakdown

State Dollars



TRANSPORTATION, BUSINESS & ECD TOTAL	\$ 1.066 B
Transportation	\$ 892.2 M
Economic and Community Development	\$ 65.8 M
Agriculture	\$ 94.5 M
Tourism	\$ 13.8 M
Housing	\$ 350 K
FY 09 IMPROVEMENTS	\$ 42.4 M
✓ Jobs Package	\$ 29.3 M
✓ Rural Opportunity Fund	\$ 1.2 M
✓ Soil Conservation	\$ 2.25 M
✓ Tourism Advertising	\$ 4.75 M

Budget Breakdown

State Dollars



LAW, SAFETY AND CORRECTION TOTAL	\$1.183 B
Correction	\$ 673.8 M
Safety	\$ 123.7 M
TBI	\$ 40.2 M
Military	\$ 15.6 M
Other	\$ 329.7 M
FY 09 IMPROVEMENTS	\$ 36.7 M

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LAW, SAFETY AND CORRECTION (cont.)

FY 09 IMPROVEMENTS \$ 36.7 M

✓ Morgan Co. Prison Expansion	\$ 6.2 M
✓ Local Jail Reimbursements	\$ 3.2 M
✓ National Guard Youth ChalleNGe	\$ 1.2 M
✓ Air Guard Tuition Assistance	\$ 310 K
✓ Communications Interoperability	\$ 201 K
✓ DNA Analysis - Johnia Berry Act of 2007	\$ 1.3 M
✓ Knoxville TBI Lab	\$ 1 M
✓ Real ID Reserve (non-recurring)	\$ 6.5 M
✓ DUI Initiative - ALR	\$ 2.8 M

Budget Breakdown

State Dollars



RESOURCE AND REGULATION TOTAL **\$ 406.4 M**

Environment and Conservation	\$ 202.6 M
Commerce and Insurance	\$ 87.9 M
Labor and Workforce Development	\$ 43.1 M
Financial Institutions	\$ 8.2 M
Other	\$ 64.6 M

FY 09 IMPROVEMENTS **\$ 25.3 M**

✓ Heritage Conservation Trust Fund	\$ 10 M
✓ Water Resource Management	\$ 2 M
✓ Lands Acquisition Fund	\$ 4.9 M
✓ Wetlands Acquisition Fund	\$ 4.9 M

Where Did the Savings Come From?

- Settlement of long-standing federal disputes - \$133 million
- Delay in Medically Needy program - \$150 million
- One-time retro-active Nursing Home CPE - \$73 million
- Conservative estimate of federal funds - \$131 million
- Reduced administrative fees for MCOs - \$41 million
- Unused HCBS funds - \$19 million
- Pharmacy Savings - \$147 million
- Controlling utilization trends - \$173 million

TennCare Reserves

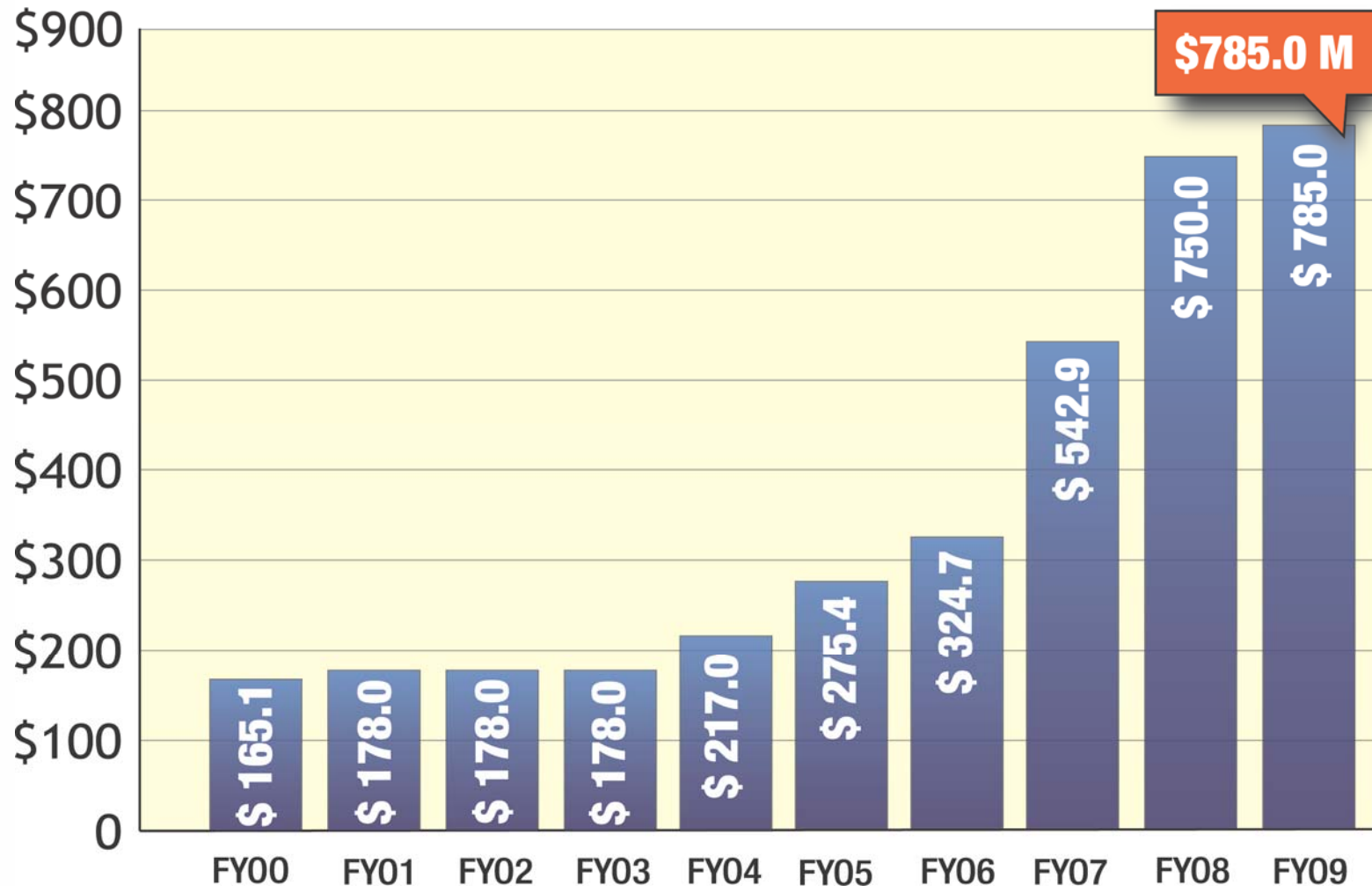
\$598M as of 6/30/07



Non-Recurring Commitments	\$ 48.5 M
✓ Essential Access Hospitals/Critical Access	\$ 30 M
✓ Capital funds for Med and Metro	\$ 5 M
✓ CoverTN	\$ 5 M
✓ Minimum wages for nursing homes	\$ 8.5 M
Potential Recurring Problems	\$ 377 M
✓ Certified Public Expenditures	\$ 200 M
✓ Nursing Home CPE	\$ 67 M
✓ Targeted Case Management	\$ 78 M
✓ Graduate Medical Education	\$ 32 M
Potential Non-Recurring Problems	\$ 150 M
✓ Disallowance of 2006 & 2007 Nursing Home CPE	\$ 140 M
✓ FY08 effect of TCM	\$ 10 M
Economic Downturn - 10,000 new enrollees	\$ 11.9 M

Revenue Fluctuation Reserve In Millions – Rainy Day Fund

Revenue Fluctuation Reserve In Millions



Budget Recap



- 🌐 Tennessee well positioned to weather anticipated national economic downturn
- 🌐 6th common sense balanced budget
- 🌐 No new taxes
- 🌐 Total budget growth less than 1%
- 🌐 63% of all new state tax dollars in education

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STATE OF THE STATE

FY 2008 - 2009

Appendix



Available Revenues 2008-09

	Recurring	Non Recurring
Department of Revenue Growth	\$ 343,700,000	\$ -
Recurring Base Adjustment	5,100,000	-
Revenue Base Availability	100,000,000	-
Less: Revenue Undercollection Estimate	(180,000,000)	-
Less: License Plate Production (Transfer to Hwy Fund)	(2,400,000)	-
Add: Other State Revenue Growth	1,500,000	-
Add: Tobacco Settlement MSA @ \$164.5 Million	7,200,000	-
Less: Miscellaneous Revenue Adjustment	(100,000)	(400,000)
Add: Reserve for Future Requirements @ 6/30/08	-	337,600,000
Add: Debt Service Fund Revenue	10,000,000	-
Less: Supplemental Appropriations	-	(19,600,000)
Add: Base Reductions	85,800,000	-
Less: Base Adjustments	(400,000)	-
Less: Base Balancing - Highway Fund Issue (\$32.8M)	(30,800,000)	-
Less: ICF-MR Gross Receipts Tax	(1,300,000)	-
Sub-total Available Revenues	\$ 338,300,000	\$ 317,600,000
Plus: Increase Overappropriation to \$120 Million	43,400,000	-
Total Available to Fund Improvements	\$ 381,700,000	\$ 317,600,000

Appendix



2007-2008 and 2008-2009

Additional Requirements Reserve for Future Requirements at 6-30-08

	Recurring	Non Recurring
I. Available Revenue (A + B):	\$ -	\$ 510,900,000
A. Reserve for Future Requirements @ 6-30-07:		
1. Department of Revenue Overcollection	\$ -	\$ 51,000,000
2. Other State Revenue Overcollection	-	7,300,000
3. Miscellaneous Revenue Overcollection	-	2,700,000
4. Tobacco Settlement MSA Overcollection	-	6,200,000
5. TennCare Additional Reversion @ \$550.2 M Unearmarked Reserve	-	171,000,000
6. Additional Reversion - Other Agencies	-	43,400,000
7. Other	-	(1,100,000)
Total Reserve for Future Requirements @ 6-30-07	\$ -	\$ 280,500,000
B. Other Available Funds:		
8. 2007-08 Debt Service Fund Transfer	-	106,000,000
9. 2007-08 TennCare Reversion - Medically Needy @ \$45.3 M Budget	-	45,300,000
10. 2007-08 Additional Reversion - TennCare	-	20,000,000
11. 2007-08 Reversion - Cover Tennessee - Estimated Excess	-	37,000,000
12. 2007-08 Additional Reversion - State Prosecutions - Estimated Excess	-	10,000,000
13. 2007-08 Additional Reversion - Other Agencies	-	12,100,000
Total Other Available Funds	\$ -	\$ 230,400,000

Appendix



II. Other Adjustments:	\$ (173,000,000)	\$ (19,862,600)
14.Less: 2007-08 Revenue Undercollection Estimate	\$ (180,000,000)	\$ -
15.Less: 2007-08 ICF-MR Gross Receipts Tax (\$1.3 M)	(700,000)	-
16.Less: 2007-2008 Trauma Center Fund - Due at 6-30-07	-	(297,500)
17.Less: 2007-2008 Supplemental Appropriations	-	(19,565,100)
18.Plus: 2007-2008 Tobacco MSA @ \$162.0	4,700,000	-
19.Plus: 2007-2008 Sales Tax Reconciliation - Telecomm. Ad Valorem Tax Reduction	3,000,000	
III. Budget Surplus / (Deficit) = \$318 M - Reserve @ June 30, 2008	\$ (173,000,000)	\$ 491,037,400

Improvements by Functional Group Funded by State Taxes, Licenses, Fees, and Lottery Proceeds

General Government	\$	88,254,700
Education		287,053,100
Health and Social Services		54,743,800
Law, Safety, and Correction		36,659,400
Resources and Regulation		25,263,600
Transportation, Business, and Economic Development		42,372,000
Total Recommended Improvements	\$	534,346,600

Appendix



General Government Improvements

Secretary of State

Library Information Management System	\$	300,000
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Comptroller of the Treasury

Public Records Ombudsman/person	\$	40,500
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Finance and Administration

Internet Crimes Against Children Task Forces	\$	400,000
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Basic Education Program (BEP) Fiscal Capacity		34,200
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Subtotal Finance and Administration	\$	434,200
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Revenue

Call Center Equipment	\$	600,000
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Appendix



Miscellaneous Appropriations

Salary Increase - State Employees	\$	30,600,000
Group Health Insurance - January 1, 2008		14,500,000
Group Health Insurance - January 1, 2009		20,300,000
Alternative Fuels - Year 2		4,000,000
Data Center Equipment		7,800,000
Enterprise Resource Planning (ERP)		3,800,000
Email Archive		160,000
State Veterans Homes		1,700,000
Federal A-87 Rent Rate		1,000,000
Facilities Revolving Fund		1,600,000
Red Cross in Tennessee		845,000
Fisk University		500,000
State Legislative Leaders Foundation		75,000
Subtotal Miscellaneous Appropriations	\$	86,880,000
Total General Government Improvements	\$	88,254,700

Appendix



Education Improvements

Education (K-12)

Basic Education Program (BEP)	\$	83,900,000
BEP 2.0 - Year 2		86,500,000
Pre-K Program		25,000,000
Governor's Institute for Science and Math		400,000
Group Health Insurance - January 1, 2008		7,800,000
Group Health Insurance - January 1, 2009		5,500,000
TCRS (Retirement) Rate Increase - July 1, 2008		3,200,000
Comprehensive Assessment Program (TCAP)		1,350,000
Student Management System		2,700,000
Governor's Books from Birth Foundation		500,000
Literacy - Year 3		2,000,000
FFA and 4-H Foundation - Year 3		1,000,000
Teacher Training and Experience - State Special Schools		187,300
Sub-total Education (K-12)	\$	220,037,300

Appendix



Higher Education - State Administered Programs

Salary Increase	\$	333,200
HOPE Scholarship Retention - Lottery Source		5,300,000
Need-Based Student Financial Aid - Lottery Revenue and Lottery-Funded Endowment		27,000,000
Nursing Loan Forgiveness Program		1,400,000
Sub-total Higher Education - State Administered Programs	\$	34,033,200

University of Tennessee System

Salary Increase	\$	10,257,400
Mouse Genome Consortium		1,000,000
Biocontainment Lab Equipment		3,000,000
UT Biofuels Center - Year 2		5,600,000
Sub-total University of Tennessee System	\$	19,857,400

State University and Community College System

Salary Increase	\$	12,625,200
Teacher Quality Initiative		500,000
Sub-total State University and Community College System	\$	13,125,200

Subtotal Higher Education	\$	67,015,800
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Total Education Improvements	\$	287,053,100
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Health and Social Services Improvements

Finance and Administration, Bureau of TennCare

Home and Community-Based Services (HCBS)	\$	10,127,900
HCBS Electronic Visit Verification		933,400
HCBS Rate Equalization - TennCare and Aging Commission		944,000
Pediatric Office Visit Rate Increases		528,500
Mental Retardation Services		5,348,600
Children's Services		585,800
Human Services		1,262,200
Sub-total Finance and Administration, Bureau of TennCare	\$	19,730,400

Health

Tobacco-Smoking Cessation - Year 2	\$	10,000,000
Primary-Care Clinics		6,000,000
HIV/AIDS		3,000,000
Meharry Wellness Program (HBCUs) - Year 3		2,000,000
Medical Examiners Program		1,000,000
Health-Care Facilities Incident Tracking		540,100
Sub-total Health	\$	22,540,100

Appendix



Finance and Administration, Division of Mental Retardation Services

Arlington Area - Home and Community-Based Services	\$	4,083,500
Waiting List Reduction		610,900
Subtotal Finance and Administration, Division of Mental Retardation Services	\$	4,694,400

Human Services

Standard of Need		2,170,900
Family Assistance Service Center		2,104,100
Individual Development Accounts - Year 3		100,000
Child Support - Assistant District Attorneys' Step Raises		35,300
Subtotal Human Services	\$	4,410,300

Children's Services

Residential Provider Rate Increase	\$	1,386,000
Foster Care and Adoption Assistance Rate Increase		769,700
Adoption Assistance Caseload Growth		870,200
211 Program - Family and Children's Services		283,000
Teacher Training and Experience		59,700
Sub-total Children's Services	\$	3,368,600

Total Health and Social Services Improvements	\$	54,743,800
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** Dedicated Appropriation*

Law, Safety, and Correction Improvements

Court System

Mandated Salary Increase	\$	972,800
Indigent Defendants and Dependent Children Representation		5,000,000
Sub-total Court System	\$	5,972,800

Attorney General and Reporter

Statutory Salary Increase	\$	5,600
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District Attorneys General Conference

Statutory Salary Step Raises	\$	1,029,500
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District Public Defenders Conference

Statutory Salary Step Raises	\$	556,000
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Office of the Post-Conviction Defender

Statutory Salary Step Raises	\$	24,000
Operational and Staffing		109,300
Sub-total Office of the Post-Conviction Defender	\$	133,300

Correction

Prison Expansion - Morgan County	\$	6,188,500
Operational Increase		5,442,100
Local Jails		3,212,800
Sub-total Correction	\$	14,843,400

Appendix



Military

Youth ChalleNGe	\$	1,200,000
Administration Legislation - Air Guard Tuition Assistance		310,000
Communications Interoperability		201,400
Sub-total Military	\$	1,711,400

Tennessee Bureau of Investigation

DNA Analysis - Violent Felonies - 2007 Johnia Berry Act	\$	1,306,100
Knoxville TBI Lab		1,012,500
Sub-total Tennessee Bureau of Investigation	\$	2,318,600

Safety

Statutory Salary Step Increase	\$	802,300
Administration Legislation - Real ID Driver's License		6,500,000
Administration Legislation - Driver's License Revocation		2,786,500
Sub-total Safety	\$	10,088,800

Total Law, Safety, and Correction Improvements	\$	36,659,400
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Appendix



Resources and Regulation Improvements

Environment and Conservation

Land Acquisition Funds	\$	4,874,400	*
Heritage Conservation Trust Fund		10,000,000	
Water Resources		2,000,000	
Watershed Restoration and Study		1,750,000	**
Transportation Projects Environment Support		491,000	
Bicentennial Mall Maintenance		333,200	
Subtotal Environment and Conservation	\$	19,448,600	

Tennessee Wildlife Resources Agency

Wetlands Acquisition Fund	\$	4,875,600	*
Statutory Salary Step Increase		533,800	
Subtotal Tennessee Wildlife Resources Agency	\$	5,409,400	

Commerce and Insurance

Statutory Salary Step Increase	\$	8,200	
Regulatory Boards		203,900	
E-911 Emergency Communications - Staffing		193,500	
Subtotal Commerce and Insurance	\$	405,600	

Total Resources and Regulation Improvements	\$	25,263,600	
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* From \$12 million allocation of the real estate transfer tax

** Dedicated appropriation

Transportation, Business, and Economic Development Improvements

Agriculture		
Soil Conservation - Agricultural Resources Conservation Fund	\$	2,250,000 *
Fire-Fighter Communications Equipment - Year 2		4,822,000
Subtotal Agriculture	\$	7,072,000
 Tourist Development		
Advertising	\$	4,750,000
 Economic and Community Development		
Jobs Package	\$	29,300,000
Rural Opportunity Fund		1,250,000
Subtotal Economic and Community Development	\$	30,550,000
 Total Transportation, Business, and Economic Development Improvements	\$	42,372,000

* From \$12 million allocation of the real estate transfer tax